## Before the Federal Communications Commission Washington, D.C. 20554

n the Matter of	)	
Community Cablevision Co.	)	File No. EB-02-TS-438
Operator of Cable Systems in the State of:	)	
Oklahoma	)	
Request for Waiver of Section 11.11(a) of the Commission's Rules	) ) )	

## **ORDER**

Adopted: November 12, 2002 Released: November 26, 2002

By the Chief, Technical and Public Safety Division, Enforcement Bureau:

- 1. In this *Order*, we grant Community Cablevision Co. ("Community Cablevision") temporary waivers of Section 11.11(a) of the Commission's Rules ("Rules") for 12 cable television systems in the above-captioned state. Specifically, we grant a 12-month waiver of Section 11.11(a) for one cable system listed in Attachment A and 36-month waivers of Section 11.11(a) for eleven cable systems listed in Attachment A. Section 11.11(a) requires cable systems serving fewer than 5,000 subscribers from a headend to either provide national level Emergency Alert System ("EAS") messages on all programmed channels or install EAS equipment and provide a video interrupt and audio alert on all programmed channels and EAS audio and video messages on at least one programmed channel by October 1, 2002.
- 2. The Cable Act of 1992 added new Section 624(g) to the Communications Act of 1934 ("Act"), which requires that cable systems be capable of providing EAS alerts to their subscribers.<sup>2</sup> In 1994, the Commission adopted rules requiring cable systems to participate in EAS.<sup>3</sup> In 1997, the Commission amended the EAS rules to provide financial relief for small cable systems.<sup>4</sup> The

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<sup>&</sup>lt;sup>1</sup> 47 C.F.R. § 11.11(a).

<sup>&</sup>lt;sup>2</sup> Cable Television Consumer Protection and Competition Act of 1992, Pub. L. No. 102-385, § 16(b), 106 Stat. 1460, 1490 (1992). Section 624(g) provides that "each cable operator shall comply with such standards as the Commission shall prescribe to ensure that viewers of video programming on cable systems are afforded the same emergency information as is afforded by the emergency broadcasting system pursuant to Commission regulations ...." 47 U.S.C. § 544(g).

<sup>&</sup>lt;sup>3</sup> Amendment of Part 73, Subpart G, of the Commission's Rules Regarding the Emergency Broadcast System, Report and Order and Further Notice of Proposed Rule Making, FO Docket Nos. 91-171/91-301, 10 FCC Rcd 1786 (1994) ("First Report and Order"), reconsideration granted in part, denied in part, 10 FCC Rcd 11494 (1995).

<sup>&</sup>lt;sup>4</sup> Amendment of Part 73, Subpart G, of the Commission's Rules Regarding the Emergency Broadcast System, Second Report and Order, FO Docket Nos. 91-171/91-301, 12 FCC Rcd 15503 (1997) ("Second Report and

Commission declined to exempt small cable systems from the EAS requirements, concluding that such an exemption would be inconsistent with the statutory mandate of Section 624(g).<sup>5</sup> However, the Commission extended the deadline for cable systems serving fewer than 10,000 subscribers to begin complying with the EAS rules to October 1, 2002, and provided cable systems serving fewer than 5,000 subscribers the option of either providing national level EAS messages on all programmed channels or installing EAS equipment and providing a video interrupt and audio alert on all programmed channels and EAS audio and video messages on at least one programmed channel.<sup>6</sup> In addition, the Commission stated that it would grant waivers of the EAS rules to small cable systems on a case-by-case basis upon a showing of financial hardship.<sup>7</sup> The Commission indicated that waiver requests must contain at least the following information: (1) justification for the waiver, with reference to the particular rule sections for which a waiver is sought; (2) information about the financial status of the requesting entity, such as a balance sheet and income statement for the two previous years (audited, if possible); (3) the number of other entities that serve the requesting entity's coverage area and that have or are expected to install EAS equipment; and (4) the likelihood (such as proximity or frequency) of hazardous risks to the requesting entity's audience.<sup>8</sup>

- 3. On August 23, 2002, Community Cablevision filed a request for a temporary, 12-month waiver of Section 11.11(a) for one cable system and temporary, 36-month waivers of Section 11.11(a) for eleven cable systems in the State of Oklahoma. In support of its waiver request, Community Cablevision states that these are small, rural cable systems serving between 96 and 1,392 subscribers. Based on price quotes provided by an EAS equipment manufacturer, Community Cablevision estimates that it would cost approximately \$100,000 to install EAS equipment at these systems. Community Cablevision asserts that this cost will impose a substantial financial hardship on it and provides its 2001and 2002 financial statement in support of this assertion. In addition, Community Cablevision submits that its subscribers will continue to have ready access to national EAS information from other sources, including its cable systems. In this regard, Community Cablevision notes that its subscribers currently have access to national EAS messages on at least 51 percent of all programmed channels. Community Cablevision also asserts that its subscribers will have access to EAS information through over-the-air reception of broadcast television and radio stations.
- 4. Based upon our review of the financial data and other information submitted by Community Cablevision, we conclude that a temporary, 12-month waiver of Section 11.11(a) is warranted for the largest cable system in Attachment A and temporary, 36-month waivers of Section 11.11(a) are warranted for the smaller 11 cable systems in Attachment A. In particular, we find that the

Order").

<sup>&</sup>lt;sup>5</sup> *Id.* at 15512-13.

<sup>&</sup>lt;sup>6</sup> Id. at 15516-15518.

<sup>&</sup>lt;sup>7</sup> *Id.* at 15513.

<sup>&</sup>lt;sup>8</sup> *Id.* at 15513, n. 59.

<sup>&</sup>lt;sup>9</sup> The 12-month waiver will extend from October 1, 2002, until October 1, 2003, and the 36-month waivers will extend from October 1, 2002, until October 1, 2005. We clarify that the waivers we are granting also encompass the EAS testing and monitoring requirements.

estimated \$100,000 cost of interconnection and EAS equipment for these small cable systems could impose a financial hardship on Community Cablevision.

- 5. We note that the Commission recently amended the EAS rules to permit cable systems serving fewer than 5,000 subscribers to install FCC-certified decoder-only units, rather than both encoders and decoders, if such a device becomes available. Based on comments from equipment manufacturers, we anticipate that such a decoder-only system could result in significant cost savings to small cable systems. Contact that such a decoder-only system could result in significant cost savings to small cable systems.
- 6. Accordingly, **IT IS ORDERED** that, pursuant to Sections 0.111, 0.204(b) and 0.311 of the Rules, <sup>12</sup> Community Cablevision Co. **IS GRANTED** a waiver of Section 11.11(a) of the Rules until October 1, 2003 for one cable television system in Attachment A and **IS GRANTED** a waivers of Section 11.11(a) of the Rules until October 1, 2005 for 11 cable televisions systems in Attachment A.
- 7. **IT IS FURTHER ORDERED** the Community Cablevision Co. place a copy of these waivers in its system files.
- 8. **IT IS FURTHER ORDERED** that a copy of this *Order* shall be sent by Certified Mail Return Receipt Requested counsel for Community Cablevision Co., Christopher C. Cinnamon, Esq., Cinnamon Muller, 307 North Michigan Avenue, Suite 1020, Chicago, Illinois 60601.

FEDERAL COMMUNICATIONS COMMISSION

Joseph P. Casey Chief, Technical and Public Safety Division Enforcement Bureau

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<sup>&</sup>lt;sup>10</sup> Amendment of Part 11 of the Commission's Rules Regarding the Emergency Alert System, EB Docket 01-66, FCC 02-64 at ¶ 71 (released February 26, 2002).

<sup>&</sup>lt;sup>11</sup> One manufacturer estimated that an EAS decoder-only system can reduce the cost by 64% over what a cable operator would spend for an encoder/decoder unit. *Id.* at  $\P$  70.

<sup>&</sup>lt;sup>12</sup> 47 C.F.R. §§ 0.111, 0.204(b) and 0.311.

## **Attachment A**

## <u>Cable Systems</u>: <u>Temporary Waiver Granted Until</u>:

Collinsville, Oklahoma	October 1, 2003
Avant, Oklahoma	October 1, 2005
Barnesdall, Oklahoma	October 1, 2005
Copan, Oklahoma	October 1, 2005
Hominy, Oklahoma	October 1, 2005
Kaw City, Oklahoma	October 1, 2005
Ochelata, Oklahoma	October 1, 2005
Oiton, Oklahoma	October 1, 2005
Ramona, Oklahoma	October 1, 2005
Shidler, Oklahoma	October 1, 2005
Wynona, Oklahoma	October 1, 2005
Yale, Oklahoma	October 1, 2005